23 REASONS TO SUPPORT THE BOEHLERT-MARKEY ET AL CAFE BILL

The Bill is Reasonable

- 1. The bill would raise fuel economy standards for automobiles from today's average of 25 miles per gallon to 33 miles per gallon over 10 years (by 2016).
- 2. The amendment codifies a level of fuel economy the National Academy of Sciences said is technically feasible *without* sacrificing safety and while saving consumers thousands of dollars at the pump.

Higher Fuel Economy Doesn't Mean Less Safety

- 3. The National Academy of Sciences said that automakers can use the technologies in its report to improve fuel economy "without degradation of safety." The study went on to point out that most vehicles using these technologies should even provide "enhanced levels of occupant protection."
- 4. At a Science Committee hearing in February, even the Alliance of Automobile Manufacturers said that increasing fuel economy need not compromise safety.

Higher Fuel Economy is Achievable

- 5. Most of the developed world, including Australia and Canada, today has higher fuel efficiency standards than the U.S.
- 6. Last week the world's major automakers signed an agreement with the government of Canada that effectively commits them to improving fuel economy standards by about 25 percent by 2010.
- 7. The National Academy of Sciences identified 17 existing fuel efficient technologies that U.S. auto makers could use to increase fuel economy significantly in cars and light trucks. The Academy said that large SUVs and pickups using such technology could get up to almost 50 percent better gas mileage.
- 8. The National Academy of Sciences could even be considered conservative because it did not include hybrid or clean diesel technologies. Hybrids are a proven technology. Automotive experts testifying at a Science Committee hearing in February said hybrids and diesels should allow automakers to improve fuel economy even more than the Academy's technologies.

Raising Fuel Economy is a National Security Issue:

- 9. The United States today relies on foreign oil to meet roughly 60 percent of its oil needs. Much of this oil comes from countries or regions that are unstable, troubled, or outright hostile to us.
- 10. Overseas oil infrastructure is increasingly being targeted by terrorists bent on wreaking economic chaos on the west.
- 11. Jihadist message boards on the Internet have called upon "Mujahideen everywhere to attack not just people, but oil wells and pipelines," arguing that "the killing of 10 American soldiers is nothing compared to the impact of the rise in oil prices on America and the disruption that it causes in the international economy."
- 12. Some of the money we send overseas for oil ends up in the hands of terrorists. As Frank Gaffney, one of President Reagan's Assistant Secretaries of Defense recently said, "We're paying them to kill us."
- 13. The United States consumes a quarter of the world's oil, yet controls less than 2 percent of its supply.

14. Domestic oil production peaked in the last century. According to the Energy Information Agency, it has declined since then and will continue to decline – even if the Arctic Refuge is opened for oil. We simply cannot drill our way to energy security.

Raising Fuel Economy is an Economic Security Issue:

- 15. To pay for foreign oil at today's prices of over \$60 a barrel, the U.S. will send about \$30 million abroad each hour.
- 16. The enormous transfer of wealth abroad to pay for oil amounts to a hidden tax on the American economy. It increases the trade imbalance, reduces the strength of the dollar, drives up the cost of other imported goods, and stunts the growth of the nation's GDP. It also costs the economy jobs.
- 17. As developing countries' demand for oil grows, oil will become more expensive for everyone. China's demand for oil is growing seven times faster than that of the U.S. Its imports have grown by over 35 percent for two consecutive years. And by 2030 China is projected to surpass the U.S. and become the world's largest oil buyer. India is not far behind. The real squeeze is only just beginning
- 18. After Hurricane Katrina, the Energy Information Administration warned us to expect continued high gas prices through next year. Even before Katrina, Goldman Sachs told us not to be surprised if oil spikes to over \$100 a barrel and a gallon of gas tops \$4.00.
- 19. Already the high price of oil has caused the cost of consumer products from plastic toys, to weed killer, to fertilizers to spike. Farm profits are expected to drop this year by 20 percent as a result of increased fertilizer and fuel costs. Retailers like Best Buy have reported slower sales because high gasoline prices eat into consumers' discretionary income.

Higher Fuel Economy Will Reduce Our Reliance on Foreign Oil

- 20. The U.S. consumes 20 million barrels of oil each day. U.S. cars and light trucks (pickup trucks, SUVs and minivans) account for almost half of that.
- 21. Raising fuel efficiency to 33 miles per gallon by 2015 would save 10 percent of the gasoline the U.S. would otherwise consume in 2015. That's 2 million barrels of oil a day.
- 22. By 2025, as more fuel efficient vehicles continued to penetrate the market, the U.S. would save 2.6 million barrels of oil.

Higher Fuel Economy Would Be Good For Consumers

23. Raising fuel economy standards would save consumers money at the pump. Under the Boehlert-Markey bill, buyers of large SUVs and pickup trucks would earn a net savings of \$2,000 over the life of the vehicle after paying for new technologies. Families purchasing minivans would earn a net savings of over \$1,000. And those estimates were made assuming \$2.00 a gallon gasoline.